



**MEETING OF THE RETIREMENT BOARD
OF THE COUNTY EMPLOYEES' AND OFFICERS' ANNUITY AND BENEFIT FUND
OF COOK COUNTY AND EX OFFICIO FOR THE FOREST PRESERVE DISTRICT
EMPLOYEES' ANNUITY AND BENEFIT FUND OF COOK COUNTY
33 N Dearborn St, Suite 1000
Chicago, IL 60602**

Minutes for the September 3, 2015 Meeting of the Board

The County Employees' and Officers' Annuity and Benefit Fund of Cook County and the Forest Preserve District Employees' Annuity and Benefit Fund of Cook County are herein collectively referred to as the "Fund."

Call to Order and Roll Call

Trustees Present: Alexis Herrera, Jack Fitzgerald, Diahann Goode, Brent Lewandowski, Patrick McFadden, Patrick Nester, Samuel Richardson, Jr. and Lawrence Wilson

Staff Present: Nickol R. Hackett, Executive Director & CIO; Michael Maratea, Director of Finance and Administration; Gary LeDonne, Senior Benefit Advisor; Brenda Deming, Director of Health Benefits; Margaret Fahrenbach, Legal Adviser; Paul Rzeszutko, Director of Annuity Benefits; Beverly Romanini, Office Manager

Others Present: Mary Pat Burns, Burke Burns & Pinelli, LTD; Mia Cole Nelson, Teamsters Union Member; Harry Bailey, Cheevers & Co.

Trustee Herrera opened the meeting for public comment and no one having requested to address the Board, the next item of business on the Agenda was considered.

1. Review and Consideration of:

a. July 9, 2015 Amended Board Meeting Minutes

It was moved by Trustee Goode and seconded by Trustee Richardson that the minutes of the July 9, 2015, Board meeting, as amended, be adopted.

Vote Result: **MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE**

b. August 6, 2015 Board Meeting Minutes

It was moved by Trustee Fitzgerald and seconded by Trustee McFadden that the minutes of the August 6, 2015, Board meeting be amended on their face to reflect that the reference

under Item 7(a) to the “ Emerging Managers Investment Committee” be changed to the “Emerging Managers Investment Sub-Committee”.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE

It was then moved by Trustee Richardson and seconded by Trustee Goode that the minutes of the August 6, 2015, Board meeting, as amended, be adopted.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE

2. Review and Consideration of:

a. Bills, Payroll Records

The Fund’s monthly bills and payroll records were presented for the Board’s approval. It was moved by Trustee McFadden and seconded by Trustee Richardson that the action taken by the Fund’s staff in remitting payments for the presented bills and payroll records be approved.

Roll Call Vote:

AYES: Fitzgerald, Herrera, Goode, Lewandowski, McFadden, Nester,
Richardson, Wilson

NAYS: None

Vote Result: MOTION ADOPTED

b. Annuities, Spouse and Child Annuities and Refunds

The Fund’s staff presented their recommendations to the Board regarding the applications for annuities, spouse and child annuities, and refunds and confirmed that they followed the Fund’s procedures in reviewing and processing the applications in making their recommendations.

It was then moved by Trustee Fitzgerald and seconded by Trustee Goode, after due consideration of the applications presented to the Board and having received confirmation from the staff that they followed the Fund’s procedures in reviewing and processing the applications, that the recommendations for the presented annuities and refunds be approved.

Roll Call Vote:

AYES: Fitzgerald, Goode, Herrera, Lewandowski, McFadden, Nester,
Richardson, Wilson

NAYS: None

Vote Result: MOTION ADOPTED

c. Ordinary and Duty Disabilities

The Fund's staff presented their recommendations to the Board regarding the applications for ordinary and duty disability benefits and confirmed that they followed the Fund's procedures in reviewing and processing the applications in making their recommendations.

It was moved by Trustee Nester and seconded by Trustee Richardson, after due consideration of the disability applications presented to the Board and having received confirmation from staff that they followed the Fund's procedures in reviewing and processing the applications, that the recommendations for the presented disability applications be approved.

Roll Call Vote:

AYES: Fitzgerald, Goode, Herrera, Lewandowski, McFadden, Nester,
Richardson, Wilson

NAYS: None

Vote Result: MOTION ADOPTED

3. Administrative Report

a. Authority to Dispose of Local Records Approval

Nickol R. Hackett, Executive Director & CIO, stated that the Fund had obtained official notice from the Local Records Commission that its Application for Authority to Dispose of Local Records had been approved effective as of June 10, 2015. She stated that the Fund's project to scan its records into electronic images can now move into a destruction mode. It was noted that the approval was timely because certain of the Fund's storage facilities encountered a pipe leak making the hard copy storage vulnerable to disaster events.

b. Travel Approval

The Executive Director stated that Fund staff had requested approval to attend conferences relating to investments, policy and Fund systems. It was moved by Trustee Lewandowski and seconded by Trustee Richardson that the expenses, including any associated travel expenses, incurred by Fund staff in attending the indicated conferences be approved provided that any reimbursement be in and for amounts consistent with the Fund's Travel Reimbursement Policy.

Roll Call Vote:

AYES: Fitzgerald, Goode, Herrera, Lewandowski, McFadden, Nester,
Richardson, Wilson

NAYS: None

Vote Result: MOTION ADOPTED

c. Search Update

The Executive Director reported on the status of the search for an Investment Consultant. She stated that the Fund had received proposals from four candidates, including a proposal from the incumbent. The Investment Staff was currently conducting due diligence of the candidates and expected that the process would be completed in a few weeks. After the Investment Staff's due diligence has been completed, the finalists will be presented to the Board.

4. Legal Matters

a. Findings of Fact

Margaret Fahrenbach, Legal Advisor, stated that the Fund staff had identified three matters in which members had been denied requests for duty disability benefits because their applications had not been filed while they were still disabled. Each of the members had each requested administrative hearings. The Fund had asked that the members provide evidence to show that they had a reasonable cause for delay in filing their respective applications before proceeding with the administrative hearings. If they failed to do so, the Fund would request that the Board entered final administrative decisions. None of the members provided evidence which would support a reasonable cause for delay in filing their applications for benefits. The Fund prepared proposed Findings of Fact, Conclusions of Law and Decisions for Sharon Mindock, John Scanlon and Paula Williams for the Board's consideration.

Sharon Mindock-Findings of Fact, Conclusions of Law and Decision

It was moved by Trustee Fitzgerald and seconded by Trustee McFadden that the Board reaffirm its earlier decision that Sharon Mindock is not eligible for the duty disability benefits that she requested and that the Board adopt the presented Findings of Fact, Conclusions of Law and Decision as a final administrative decision.

Roll Call Vote:

AYES: Fitzgerald, Goode, Herrera, Lewandowski, McFadden, Nester,
Richardson, Wilson

NAYS: None

Vote Result: MOTION ADOPTED

John Scanlon -Findings of Fact, Conclusions of Law and Decision

It was moved by Trustee Fitzgerald and seconded by Trustee McFadden that the Board reaffirm its earlier decision that John Scanlon is not eligible for the duty disability benefits that he requested and that the Board adopt the presented Findings of Fact, Conclusions of Law and Decision as a final administrative decision.

Roll Call Vote:

AYES: Fitzgerald, Goode, Herrera, Lewandowski, McFadden, Nester,
Richardson, Wilson

NAYS: None

Vote Result: MOTION ADOPTED

Paula Williams-Findings of Fact, Conclusions of Law and Decision

It was moved by Trustee Fitzgerald and seconded by Trustee McFadden that the Board reaffirm its earlier decision that Paula Williams is not eligible for the duty disability benefits that she requested and that the Board adopt the presented Findings of Fact, Conclusions of Law and Decision as a final administrative decision.

Roll Call Vote:

AYES: Fitzgerald, Goode, Herrera, Lewandowski, McFadden, Nester,
 Richardson, Wilson

NAYS: None

Vote Result: MOTION ADOPTED

b. Authority to Review Funding Matters

The Executive Director stated that the county was seeking to develop a framework through which sales tax revenue could be transferred to the Fund. It was moved by Trustee Goode and seconded by Trustee Richardson that the Executive Director, with the assistance of Fund counsel, shall have authority to enter into discussions with representatives of Cook County regarding a possible Intergovernmental Agreement which would provide for additional funding from the County to the Fund, but that any such agreement would be subject to Board approval.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE

5. Consideration of August 20, 2015 Health Benefits Committee Recommendations

Brenda Deming, Director of Health Benefits, stated that the Health Benefits Committee reviewed three clinical options relating to Prescription Drug Benefits and approved three changes to Specialty Medication Management that would result in savings. The Committee recommended that a Split Fill Oncology Program be adopted which would allow oncology drugs to be filled in small quantities to avoid waste in the event the patient required a different prescription drug. In addition, it was recommended that the Board adopt the CVS Health Advance Control Specialty Formulary which follows a restrictive formulary for prescription drugs that are characterized as specialty medications. Finally, the Committee recommended that the coverage of all treatment of hemophilia be transferred to the medical plan, including the coverage of all prescribed drug therapy. The changes were projected to save between \$1.2 and \$1.4 million annually.

It was moved by Trustee Goode and seconded by Trustee Fitzgerald that the Board approve the recommendations made by the Health Benefits Committee at their meeting on August 20, 2015, to adopt the Split Fill Oncology Program, the CVS Health Advance Control Specialty Formulary and the transfer of all coverage for treatment of hemophilia to the medical plan, as presented.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE

6. Trustee Matters

a. Forest Preserve Annuitant Trustee Vacancy Update

The Executive Director stated that the Fund had posted a notice of the vacancy of the Forest Preserve District Annuitant Trustee position on the website and also had conducted a special mailing to Forest Preserve District annuitants. As of September 2, 2015, two candidates expressed interest in filling the vacant position and their qualifications were presented to the Board. The Executive Director stated that no further outreach had been made to the candidates. After discussion among the trustees, the Fund's staff was asked to invite each of the candidates to appear at the Board's meeting on October 1, 2015.

7. Old Business/New Business

The Executive Director reported that because of different disclosures required under GASB 68, that the Fund would provide clarification to its 2015 CAFR reports.

8. Adjournment

There being no further business before the Board, it was moved by Trustee Richardson and seconded by Trustee Goode that the trustees adjourn the meeting.

The next Board meeting is scheduled for October 1, 2015, at 9:30 a.m.